

Minutes of the Finance Committee

Wednesday, August 18, 2010

Chair Haukohl called the meeting to order at 8:30 a.m.

Present: Supervisors Pat Haukohl (Chair), Bill Zaborowski, Pamela Meyer, Dave Falstad, and Jim Heinrich. **Absent:** Rob Hutton and Ted Rolfs.

Also Present: Chief of Staff Mark Mader, Infrastructure Administrator Al Mundt, Emergency Management Coordinator Bill Stolte, Emergency Preparedness Director Rich Tuma, Supervisor Jean Tortomasi, Land Information Systems Manager Don Dittmar, Criminal Justice Collaborating Council (CJCC) Coordinator Rebecca Luczaj, Senior Financial Analyst Clara Daniels, Principal Risk Management Analyst Mark Jatczak, Risk/Purchasing Manager Laura Stauffer, Parks System Manager Duane Grimm, Airport Manager Keith Markano, Buildings Operations Manager Mark Keckeisen, Administration Director Norm Cummings, Principal Financial Projects Analyst Bob Ries, Collections & Business Services Manager Sean Sander, and Legislative Associate Mary Pedersen.

Approve Minutes of 8-4-10

MOTION: Falstad moved, second by Zaborowski to approve the minutes of August 4. Motion carried 5-0.

Schedule Next Meeting Date(s)

- September 8

Chair's Executive Committee Report of 8-16-10

Haukohl highlighted the following items discussed at the last Executive Committee meeting.

- Approved ordinances and appointments that were included in the last set of referrals.
- Reviewed the operations audit scope for the Communications Center.
- Discussed the County's elections systems, currently under sole authority of the County Clerk. An internal audit will be performed on the systems' functionality/integrity.
- Legislative Policy Advisor Sarah Spaeth advised there is still no word from the Governor's Office as to whether Ethan Allen School will close.

Contract Procurement Process for Internet Service Provider

Mundt indicated the contract for the County's Internet service provider was awarded to TW Telecom, the highest rated proposer. The total contract cost for five years is \$64,500 (\$12,900 per year) and the first year budgeted amount was \$25,000. A total of five vendors submitted RFP's for consideration. To answer Haukohl's question, Mundt said two vendors were not interviewed because of low initial scores.

MOTION: Meyer moved, second by Zaborowski to accept the contract procurement process for Internet service provider. Motion carried 5-0.

Ordinance 165-O-041: Accept Homeland Security – FFY 2007 Program Funding And Modify The Emergency Preparedness 2010 Budget To Appropriate Grant Revenues And Expenditures For Emergency Operations Center And Mobile Command Post Radios For The Wisconsin Interoperable System For Communications (WISCOM)

Tuma and Stolte discussed this ordinance which involves accepting a \$7,900 state grant to purchase two radios, including installation costs, for access to WISCOM. The County is responsible for programming the radios, estimated around \$200 for both. Staff training is expected to be absorbed internally resulting in minimal cost impact as the County currently has a trunked system.

MOTION: Zaborowski moved, second by Falstad to approve Ordinance 165-O-041. Motion carried 5-0.

Contract Procurement Process for CAD Replacement, Capital Project #200901

Tuma advised the contract for CAD replacement was awarded to Intergraph Corporation, the highest rated proposer, for a total contract cost of \$3,199,439.39 for five years. The first year budgeted amount was \$2,500,000 and the first year actual cost is \$2,356,633. For year five and beyond, there is a maximum cap of 5% for increases. Costs for years two through five are for support and are fixed based on agencies and municipalities that are currently members of the Waukesha County Communications Center. A total of four vendors submitted RFP's for consideration. A discussion ensued as to how this will be converted over from Spillman, the current provider, and how it will interface with those portions of the Spillman system we are keeping. Tuma said he is confident this is the last CAD system the County will need to put in. Tortomasi said while this was a very long process, everyone involved agreed this is a good contract.

MOTION: Zaborowski moved, second by Heinrich to approve the contract procurement process for CAD replacement. Motion carried 5-0.

Update on Alcohol Treatment Fees and Revenue Goals

Luczaj referred to her handout entitled "Alcohol Treatment Court Program Fee Revenue Summary" which included information on revenues for 2009 and 2010 and preliminary projected revenues for 2011.

In 2009 (June through December), they collected \$3,558.68 which was carried over to 2010. So far this year (January through July), \$14,331.54 has been collected. The original goal for 2010, which was set in early 2009, was \$42,000. Luczaj said they were aware this goal would not be reached early on. They had anticipated that most program participants would be assessed \$50 per month or higher. However, due to the economy, participants entering the program in the second half of 2009 were either unemployed or underemployed and were assessed \$25 per month. However, in recent months, three clients have been assessed at \$200 per month and most other new enrollments are now being assessed at the \$50 or higher fee ranges. It is hopeful this trend will continue.

In 2011, they expect 100% of participants will be paying to be in the program (currently it's around 91%). In addition, they are seeing more clients assessed at the higher rates. Preliminary projected revenues for 2011 are estimated at \$30,000.

Claims Report for Six Months Ended

Jatzak reviewed worker's compensation claims as outlined in their report. A total of 57 claims were opened in 2010 and 42 remained open at the end of six months. The total incurred during the first half of 2010 was \$300,894. Jatzak highlighted some of the larger claims that had opened and closed.

Stauffer reviewed the other types of claims for the first half of 2010 as outlined in their report. She advised that six general liability claims were opened, three remained open, and the total incurred was \$1,615. A total of three auto liability claims were opened, all of which have closed, and the

total incurred was \$1,355. Eight auto physical damage claims were opened, five remained open, and the total incurred was \$14,908. Property damage claims totaled ten, all of which were still open at the end of six months, and the total incurred was \$17,299. Stauffer highlighted some of the larger claims that had opened and closed.

Falstad asked that future reports include information on how many cases are in litigation. Stauffer agreed to include those figures in her written reports. Heinrich and Haukohl asked that the status of claims listed on the Notice of Claims to County Board be added to the report as well.

MOTION: Heinrich moved, second by Falstad to accept the claims report for six months ended. Motion carried 5-0.

Ordinance 165-O-036: Approve Request Of Department Of Parks And Land Use To Accept And Appropriate State Of Wisconsin Department Of Natural Resources Gypsy Moth Suppression Program Grant Funds

Grimm explained this ordinance which involves accepting a state grant, up to \$7,872, as pass-through funds for the Town of Lisbon. The grant will be used to help cover costs for chemical spraying and related administration costs for gypsy moth suppression.

MOTION: Heinrich moved, second by Zaborowski to approve Ordinance 165-O-036. Motion carried 5-0.

Ordinance 165-O-038: Agreement To Lease Property At Waukesha County Crites Field Waukesha, Wisconsin Between Waukesha County And Quad/Air, LLC

Markano discussed this ordinance which extends the lease with Quad/Air LLC for hangar space at Crites Field. The extension increases annual revenues by \$10,239 from \$86,100 to \$96,339 from the previous five-year agreement.

The option to purchase the hangar for \$662,280 continues and the agreement includes a monthly lease credit that can be applied to the purchase price. The credit accrues at \$1,944 per month for the first 36 months (\$70,000). If this purchase option is executed, a land lease will take effect. The current rate of \$0.1975 will be adjusted each year to the year of purchase by the inflation rate as determined by the CPI-U.

MOTION: Zaborowski moved, second by Meyer to approve Ordinance 165-O-038. Motion carried 5-0.

Ordinance 165-O-040: Modify Capital Project 200615 HHS Office Building To Provide Funding For The Design Of The Campus Grounds Service Center In 2010

Keckeisen and Cummings were present to discuss this ordinance which modifies 2010 project expenditures for this project by increasing expenditures by \$52,500 from \$250,000 to \$302,500. Costs for a preliminary budget and concept and site location for a new maintenance building (Campus Grounds Service Center) were not included in the 2010 project budget. The new Human Services Building was recently approved for a southeast building location which is the location of the existing maintenance building. Haukohl noted this is basically a transfer of funding from 2011 to 2010 and does not increase expenditures. This project has a total project expenditure budget of \$36,680,000.

MOTION: Heinrich moved, second by Falstad to approve Ordinance 165-O-040. Motion carried 5-0.

Ordinance 165-O-039: Repeal And Recreate Section 7-67(3) Of The Waukesha County Code Of Ordinances To Modify Waukesha County Investment Policy

Cummings discussed this ordinance as outlined which involves amending the Governing County Investment Policy as written in the County Code to allow the County more flexibility when purchasing bonds and securities within the State of Wisconsin. It is likely line 30 of the ordinance will be amended on the board floor due to clarification concerns.

MOTION: Heinrich moved, second by Meyer to approve Ordinance 165-O-039. Motion carried 5-0.

Investments Report for Six Months Ended

Ries referred to his report which included information on investment highlights, valuation at cost and valuation at market, total County investment income, and investment portfolios. The return for the first quarter was up 37 basis points from the last quarter, to 0.97%. The increase was largely due to gains of \$641,047 on sales of securities at the County's request, due to favorable market conditions. Without any gains, the total return would have increased by two basis points.

MOTION: Falstad moved, second by Meyer to accept the investments report for six months ended. Motion carried 5-0.

Collections Report for Six Months Ended

Sander discussed his report entitled Collections Division Delinquent Collections: 2010 Six Month Report." Total collections (January-June) increased 2.5% from 2009 and 29.9% from 2008. Total collections at the end of six months in 2010 were \$1,971,585. This compares to \$1,923,936 collected during this same time period in 2009 and \$1,518,246 collected in 2008. The amounts retained by the County during these six month periods were \$1,291,314 in 2010, \$1,350,963 in 2009, and \$1,048,884 in 2008.

Tax intercept collections totaled \$1,156,874 through 6/30/10 versus \$1,096,488 through 6/30/09. A total of 4,566 tax intercept payments were received on accounts in 2010 (4,450 in 2009). Additional revenue sources identified/implemented by Collections have generated \$830,554 of revenues for Waukesha County in the first six months of 2010.

Sander distributed a list of the 34 government entities that contract for County collections services.

MOTION: Zaborowski moved, second by Falstad to accept the collections report for six months ended. Motion carried 5-0.

Future Agenda Item(s)

- Communications Center Tour and Demonstration of New CAD System (Haukohl)

MOTION: Falstad moved, second by Heinrich to adjourn at 11:45 a.m. Motion carried 5-0.

Respectfully submitted,

Pamela Meyer
Secretary